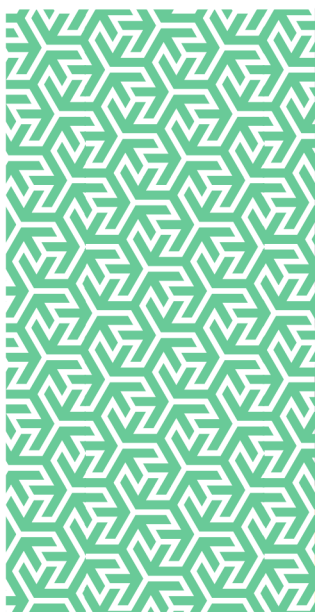




Broker Bulletin No. 7
– POLICE Risks –
Memorandum of
Understanding



Broker Bulletin No. 7 – POLICE Risks – Memorandum of Understanding – National Armed Policing – Motor Risks – March 2017

Background

Section 22A Police Act 1996 (as amended), enables police forces and local policing bodies as defined in that Act to make an agreement about the discharge of functions by officers and staff, where it is in the interests of the efficiency or effectiveness of their own and other police force areas.

In 2016 the lead Police Forces responsible for providing armed responses set out to create such an agreement by way of a draft Memorandum of Understanding (MoU) which set out how they would like to deal with liability for civil claims arising from the use of police vehicles in situations such as where an armed response Counter Terrorism Unit (CTU) is requested from another Police Force. The purpose of the paper is to set out how the insurance covers placed through RMP with QBE would operate in the event of a claim arising in these circumstances.

The comments only relate to RMP/QBE policies and not that of any other insurer. We recommend if you are not insured with RMP/QBE for motor risks that you seek your own independent advice from your insurer/broker.

Policy Cover

Whilst several different solutions have been considered, the proposal which fits best with the wishes of the lead forces and which appears to be the most intuitive, especially when training matters and the like are considered, is a 'driver' lead solution.

To aid everyone's understanding of the subject it may be best to consider an example of everyday operational policing and then how the insurance solution would flow through from that. Key to constructing the solution was that:

- 1 It must be capable of determining liability quickly and easily at the time of impact so that the insurer and insured know immediately who is liable for the claim and more importantly the Third Party is also aware.
- 2 We believed that the own damage must follow the third party cover as this would avoid any possible issue around potential ultra vires payments being made by a force, and ultimately they are all part of and parcel of the same event and should logically one should follow the other.

Example:

Force A have an incident in a city centre and calls for armed assistance. Forces B and C agree to send firearms teams in separate vehicles. The Force B owned vehicle is being driven by a Force D firearms officer who is attached permanently to the Force B firearms hub. The Force B £75,000 Range Rover is involved in a fault collision resulting in:

- 1 write off of the police vehicle (£75,000),
- 2 write off of the Third Party vehicle at £50,000 and
- 3 injuries to police officer passengers (say £100,000) and the Third Party (say £200,000).

So we have a claim worth overall £425,000.

Driver Led Solution

In this situation the MoU, and in turn the RMP/QBE policy cover - is so constructed so that the firearms hub to which the driver is attached and thus in turn the insurers of the hub/driver of the vehicle insure the claim. In this case that would be Force B (they lead the hub to which the driver is attached) as even though the driver is a Force D officer, he is attached to the Force B hub. The driver led solution operates irrespective of whether the 'controlling Force' (in this case Force A) is in some way at fault for the accident. The Force B motor policy would pay the claim in full at £425,000 less any self-insured retention (excess).

Irrespective of which force the claim is initially submitted to by the claimant or their insurers, the claim would be passed to the force of the hub/driver for handling immediately.

Summary

Our position can be summarised as follows:

- 1 If RMP/QBE are the insurer of the hub vehicle to which the driver is attached, then it is our policy which will handle any claims.
- 2 Should an accident occur through reasons other than driver negligence
 - a. e.g. failure of the vehicle due to lack of maintenance
or
 - b. in a situation whereby say the accident occurred because the Senior Officer directs the CTU driver to deliberately impact with a third party vehicle, which subsequently turns out to be entirely unconnected with the operation; in this scenario the driver is clearly not negligent in following direct instructions.

Our policy will still operate if we are the motor insurers of the hub to which the driver is attached.

For clarity, our cover makes no distinction between training and operational activities and operates in the same manner for both situations.

Further information

For access to further RMP Resources you may find helpful in reducing your organisation's cost of risk, please access the RMP Resources or RMP Articles pages on our website. To join the debate follow us on our LinkedIn page.

Get in touch

For more information, please contact your RMP consultant or account director.

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